



U.S. Department of Justice

*United States Attorney's Office
District of Delaware*

*The Nemours Building
1007 Orange Street, Suite 700
P.O. Box 2046
Wilmington, Delaware 19899-2046*

*(302) 573-6277
FAX (302) 573-6220*

PRESS RELEASE

**TAX FRAUD CHARGES YIELD
FIVE MONTH SENTENCE**

Millsboro, Delaware Man Sentenced

FOR IMMEDIATE RELEASE

October 24, 2007

CONTACT: Colm F. Connolly
United States Attorney
(302) 573-6277

Colm F. Connolly, United States Attorney for the District of Delaware, and Special Agent in Charge Francis Turner, Internal Revenue Service (IRS) - Criminal Investigation, announced that CHRISTOPHER KRAUSS, of Millsboro, Delaware, received a sentence of five months imprisonment, followed by five months home confinement, as a result of his guilty plea to tax fraud charges.

District Judge Sue L. Robinson, United States District Court for the District of Delaware, sentenced KRAUSS for making false statements to the Internal Revenue Service in connection with his effort to settle an outstanding tax debt while participating in the IRS Offer in Compromise program. An offer in compromise is an agreement between a taxpayer and the IRS that resolves the taxpayer's tax debt.

According to documents filed with the Court, KRAUSS provided IRS information under penalty of perjury that he was not a party to a lawsuit when in fact he was a party to a lawsuit seeking damages in excess of \$100,000.

U.S. Attorney Connolly said “This sentence sends a clear message that tax debtors must fully disclose their financial condition to the IRS when negotiating a settlement on the taxes they owe.”

Special Agent in Charge Turner stated “Business practices, like making false statements for personal financial gains, are not acceptable!”

This matter was investigated by the Internal Revenue Service – Criminal Investigation. Assistant United States Attorney Douglas E. McCann prosecuted this case.

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